

Identification of the Area

Name or Designation: **Area 32: North Downtown Seattle**

Boundaries:

Area 32, or North Downtown Seattle, as identified by the King County Department of Assessments lies immediately north and west of the Seattle's Central Business District, south of Queen Anne Hill, and east of Capital Hill. It includes the Downtown Elliot Bay waterfront, Belltown, Lower Queen Anne and the Seattle Center, and South Lake Union. Belltown and Lower Queen Anne are dynamic, urban neighborhoods with a mix of commercial and residential uses. South Lake Union is a neighborhood in transition from an underutilized commercial/warehouse/residential district to a neighborhood of new offices, biotechnical labs, retail and multi-family housing.

The boundary of Area 32 on the north is West Olympic Place, West Aloha Street and East Galer Street. The southern border is along Lenora Street to 5th Avenue and along Denny Way and South Washington Street. The west boundary is the Elliott waterfront and the east boundary is Interstate 5 in the north portion, and 5th Avenue in the Belltown neighborhood.

Maps:

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Area Description:

Area 32, known as North Downtown Seattle, is divided into four neighborhoods. They are generally similar in their mixed-use zones. Commercial, community and regional service enterprises, and multifamily land uses predominate. They are typically distinguished by their respective arterial linkages south into Downtown proper, and north into the predominantly residential parts of Seattle beyond the Lake Washington Ship Canal. A brief description of the four neighborhoods follows.

Belltown: Area 32-10

Boundaries: Belltown is bounded on the north by Denny Way, on the south by Lenora Street and the Pike Place Market, on the west by Elliott Avenue, and on the east by Fifth Avenue.

Neighborhood Description: This area is primarily zoned Downtown Mixed Residential (DMR) with Downtown Mixed Commercial (DMC) zoned parcels located in the north boundary. Belltown, a major part of Seattle's fastest growing neighborhood (Denny Regrade), is once again seeing new mixed-use development. Historically Belltown was a neighborhood of apartments and rooming houses, union halls, and marginal businesses, in proximity to the city center. In the mid-1970's the city approved new zoning to encourage construction of a mid to high-rise residential district. In the late 1980's and 1990's as the regional economy grew, development in Belltown accelerated. Condominiums, apartment buildings, retail and restaurants, and mid-rise office buildings were built. The proximity to Pike Place Market, the waterfront, Seattle Center, and the downtown business district plus the traffic congestion in the greater metropolitan area makes Belltown an attractive, twenty four hour, in-city neighborhood.

The Comprehensive Plan estimates that an additional 6,500 households will be constructed in Belltown by the year 2014. This area is primarily targeted to increase residential units' occupancies in the neighborhood by encouraging investors and developers to construct apartments and/or condominiums. The zone classifications for Belltown (Area 32-10) are Downtown Mixed Residential (DMR), designated as either Downtown Mixed Residential/Residential (DMR/R) or Downtown Mixed Residential/Commercial (DMR/C). These designations have a building height limit that ranges from 65 feet to 240 feet. The northern portion of the neighborhood along Denny Way has the zone classification of Downtown Mixed Commercial with a building height limit of 65 to 240 feet.

South Lake Union: Area 32-20

Boundaries: This area is located east of 6th Avenue North, south of Galer Street and Lake Union, west of I-5, and north of Denny Way.

Neighborhood Description: South Lake Union is a neighborhood in transition. Historically called the Cascade Neighborhood, residential use has declined since the 1950's when zoning changes limited new residential uses and promoted light manufacturing uses. Construction of I-5 in the 1960's cut off the neighborhood from the west portion of Capital Hill. In the late 1980's the in-close location and the less expensive land values started to get the attention of several biotech and high tech companies. Fred Hutchinson Cancer Research Center, and later Zymogenetics located in the northeast sector of the neighborhood, while in the southeast sector REI relocated their flagship store in 1995. In the mid 1990's the concept of the 74 acre "Seattle Commons" park was twice defeated. Subsequently, the City of Seattle and developers, including the Vulcan NW Group that has accumulated 60 acres, have put in place development plans that may transform the South Lake Union neighborhood into a new commercial/residential neighborhood with a focus on biotech and biomedical research. City projections include 15,000,000 square feet of development (half commercial and half residential) by 2020, and up to 39,000 new jobs by 2025. The city has already approved raising building height limitations in several zoning areas to accommodate biotech buildings and support higher residential density. Other infrastructure improvements will include a new substation, a waterfront park, a revamped Mercer Street, and a street car service.

Lower Queen Anne Hill: Area 32-30

Boundaries: This area is located east of the Puget Sound waterfront, south of West Olympic Place and West Aloha Street, west of 6th Avenue North, and north of Denny Way.

Neighborhood Description: This area consists of mixed-use properties, predominately multi-family apartments and condominiums, and mid and low-rise office buildings. The area also is in demand for small-office, owner-occupant properties by those who want to be in a close-in, urban pedestrian neighborhood. The major landholder is the City of Seattle with the Seattle Center which includes Key Arena, Pacific Science Center, Memorial Stadium, Opera House, Pacific Science Center, the Space Needle and Experience Music Project Museum. There are many retail businesses, hotels, restaurants, and related parking structures adjacent to Seattle Center. The purchase and planned campus development of twelve acres of city land adjacent the Seattle Center for the Gates Foundation headquarters is expected to spur additional mixed use development in the eastern portion of the Lower Queen Anne neighborhood.

Downtown Harborfront: Area 32-40

Boundaries: This neighborhood comprises the upland parcels along Seattle Elliott Bay Pier Waterfront and Alaskan Way, from South Washington Street at the southwestern boundary to Broad Street at the northwestern boundary. The Alaska Way Viaduct physically separates this waterfront area from Belltown, the CBD, and Pioneer Square to the east.

Neighborhood Description: The Downtown Harborfront neighborhood, known as the Central Waterfront, is located across from the downtown pier area. The area's improved parcels include retail and restaurants, hotels, office buildings, parking garages, mixed-use multi-family dwellings, storage warehouse, and office warehouse use. The Washington State Ferry Terminal at the Colman Dock, the Seattle Aquarium, the Port of Seattle Marina and Cruise Ship Terminal, the Edgewater Inn, and the Victoria Clipper terminal are well known landmarks. In recent years there has been considerable development of residential condominiums and a new Marriot hotel in the north sector of this area, on the east side of Alaskan Way. In the future Area 32-40 will be impacted by the configuration and reconstruction of the Alaskan Way Viaduct and the adjacent seawall.

The zone classifications are Downtown Harborfront-1 (DH-1) and Downtown Harborfront-2 (DH-2).

Downtown Harborfront-1 (DH-1) zone applies to waterfront lots and adjacent harbor areas where economically viable marine uses are encouraged to meet the needs of waterborne commerce, facilitate the revitalization of downtown's waterfront, provide opportunities for public access and recreational enjoyment of the shoreline, preserve and enhance elements of historic and cultural significance, and preserve views of Elliott Bay and the land forms beyond. To preserve and restore the historic maritime character of Piers 54 through 59 (but excluding the new Aquarium structure); development standards are augmented by Historic Character Area guidelines. Water dependent uses are encouraged through development standards that allow greater development potential and design flexibility than permitted by the base regulations.

Downtown Harborfront-2 (DH-2) zone applies to those areas near the downtown shoreline where development potential offers the opportunity to enhance public access and enjoyment of the waterfront. Because the areas designated DH-2 are partially within a shoreline environment, development standards include use and bulk regulations to carry out shorelines goals, and preserve views of the water. A diversity of uses and buildings of small scale are preferred. Incentives are offered for the provision of public open space integrated with an overall plan for public access improvements.

The general provision of these two zone classifications is that all uses shall meet the development standards of the Seattle Shoreline Master Program, and development rights may not be transferred to or from lots in DH-1 or DH-2 zones. The zone designation for this neighborhood

is intended to provide commercial activities in support of shoreline goals and related office, commercial, retail and residential uses. This area is intended to provide a transition in scale and character between the waterfront and adjacent downtown areas.

Physical Inspection Identification:

Neighborhood Area 32-30 (Lower Queen Anne) was physically inspected for the 2006 assessment year.

Preliminary Ratio Analysis

A Ratio Study was completed just prior to the application of the 2006 recommended values. This study benchmarks the current assessment level using 2005 posted values. The study was also repeated after application of the 2006 recommended values. The results are included in the validation section of this report, showing improvement in the Coefficient of Variation (COV) from 16.35% to 9.05%, Coefficient of Dispersion (COD) from 10.10% to 6.84%. The weighted mean ratio which is a statistical measure of assessment level went from 90.3% to 97.7%. The Price-related Differential (PRD) went remained constant at 1.01%.

Scope of Data

Land Value Data:

Vacant sales that closed between 1/29/2001 to 1/09/2006 were given primary consideration for valuing the land parcels in Area 32. Vacant sales that occurred in 2001 were included in this year's valuation because there have been limited land sales in Area 32-30 (Belltown) until recently.

The primary unit of comparison considered was based on price per square foot of land area. "Shell" sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The comparative sales approach generally is considered the most reliable method for land valuation. Zoning and location were the primary variables considered in the valuation process.

Improved Parcel Total Value Data:

Improved sales that closed from 1/06/2003 to 11/01/2005 were given the greatest consideration for establishing total value estimates. Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by contacting either the purchaser or seller, inquiring in the field or contacting the real estate broker. Characteristic data is verified for all sales when possible. Due to time constraints, interior inspections were limited. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides in the Assessor's procedure manual located in the Public Information area of the King County Administration Building.

Land Value**Land Sales, Analysis, Conclusions**

There were 48 sales considered in Area 32 which include sub-areas 32-10, 32-20, 32-30, and 32-40. These neighborhoods are typically distinguished by their predominant zone classification. In analyzing the sales in Area 32, neighborhood, location within the neighborhood, zoning and height limit availabilities, and utility of the site were also considered. In Lower Queen Anne (Area 32-30) views were considered for land parcels with L – 3 and MR zoning. When recent sales were unavailable such as in sub-area 32-40 the Downtown Waterfront, sales from other neighborhoods were considered.

Belltown: Area 32-10

A review of existing and new land sales, indicate that an increase in land value for most zoning designations is appropriate. The range of value for many of the DMR zone designations reflects adjustments for the location and or utility of the individual parcels. The table below represents the 2006 estimated land value per square foot for each zone in the Belltown Area.

32-10	Belltown	DMC 85	\$145 to \$155
32-10	Belltown	DMR/R 85/65	\$150 to \$155
32-10	Belltown	DMR/C 85/65	\$155 to \$160
32-10	Belltown	DMR/C 125/65	\$160 to \$170
32-10	Belltown	DMC 240	\$185
32-10	Belltown	DMC 65	\$140 to \$150
32-10	Belltown	DMR/C 240/125	\$165 to \$175
32-10	Belltown	DMR/R 125/ 65	\$150 to \$165
32-10	Belltown – Seattle Puget Sound Pier Waterfront	DH1-45	\$35
32-10	Belltown – Seattle Puget Sound Pier Waterfront	IC-45	\$35

South Lake Union: Area 32-20

Land sales in this neighborhood support an increase in value for land parcels in most zone designations and areas within the neighborhood where development is occurring or is planned. The table below represents the 2006 estimated land value per square foot for each zone in the South Lake Union Area. Parcels with waterfront on Lake Union were removed from the geographical appraiser's responsibility and are valued by the waterfront specialist. These parcels are coded in Area 12.

32-20	South Lake Union	NC3-40'	\$95 to \$95
32-20	South Lake Union	NC3-65'	\$105 to \$120
32-20	South Lake Union	NC3-85'	\$115 to \$125
32-20	South Lake Union	NC3-125'	\$120
32-20	South Lake Union	SM- 40'	\$90
32-20	South Lake Union	SM-65'	\$90 to \$120
32-20	South Lake Union	SM/R-55/75'	\$110
32-20	South Lake Union	SM-85'	\$115 to \$120
32-20	South Lake Union	SM-125'	\$105 to \$125
32-20	South Lake Union	C1-65'	\$90 to \$95
32-20	South Lake Union	C2-40'	\$100
32-20	South Lake Union	C2-65'	\$105 to \$110
32-20	South Lake Union	C2-85'	\$115
32-20	South Lake Union	IC-45'	\$90
32-20	South Lake Union	IC-65'	\$110 to \$120
32-20	South Lake Union	IC-85'	\$115

The range of values for certain zone designations reflects location, size, access, and utility. The land values of a few parcels along the east side of Aurora Avenue were adjusted for topography.

Lower Queen Anne Hill: Area 32-30

New and existing land sales in this neighborhood support increases in land value of land parcels in most zoning designations. The table below represents the 2006 estimated land value per square foot for each zone in the Lower Queen Anne Hill Area.

32-30	Lower Queen Anne	MR	\$95 to \$125
32-30	Lower Queen Anne	L-3 RC	\$75
32-30	Lower Queen Anne	L-3	\$75 to \$125
32-30	Lower Queen Anne	NC2-40'	\$100
32-30	Lower Queen Anne	NC3-40'	\$95 to \$105
32-30	Lower Queen Anne	NC3-40/P1	\$105
32-30	Lower Queen Anne	NC3-65'	\$115 to \$120
32-30	Lower Queen Anne	NC3-85'	\$115 to \$120
32-30	Lower Queen Anne	SM-85'	\$115 to \$130
32-30	Lower Queen Anne	C2-40'	\$60 to \$95
32-30	Lower Queen Anne	IC-45'	\$40 to \$70
32-30	Lower Queen Anne	IC1 U-45	\$40

The range of values for certain zone designations reflects location, size, utility, and topography of individual parcels within the sub-area. SM-85 designated parcels, and MR and L-3 parcels with good to excellent views represent the upper range of value.

Downtown Harborfront: Areas 32-40

Due to the lack of land sales in this neighborhood, land sales in Areas 32-10, 32-30, 30-60, 30-80, and 30-100 were considered to estimate the land value. The table below indicates the 2006 estimated land per square foot for each zone.

32-40	Downtown Harborfront	DH2-65	\$150
32-40	Downtown Harborfront	DH2-85	\$135 to \$160
32-40	Downtown Harborfront	DH2-55	\$120 - \$140
32-40	Downtown Harborfront – Seattle Puget Sound Pier Waterfront (Tidelands)	DH1-45	\$35

The total assessed land value in Area 32, for the 2005 assessment year was \$1,986,227,069 and the 2006 total recommended assessed land value is \$2,149,266,500. Application of these recommended values for the 2006 assessment year (taxes payable in 2007) results in an increase of 8.21 %. This increase is primarily due to upward market changes in Belltown (32-10) South Lake Union market area (32-20) and Lower Queen Anne (32-30).

A list of vacant sales used and those considered not reflective of market are included in the following sections.

Improved Parcel Total Values:

Sales Comparison Approach model description

The model for sales comparison was based on characteristics from the Assessor's records including location, effective age, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered.

The improved sales used range in date from 1/06/2003 to 11/01/2005. There were 37 improved sales in Area 32 that were considered as fair market transactions reflective of the market conditions. These sales were organized into market segments based on predominant use. The sale price ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods. Location, quality, and effective age were factors considered for adjustment. Stratification of these sales shows the following market ranges:

- | | | |
|----|---|----------------------------|
| 1) | Offices (25,000 SF rentable or larger): | \$109 to \$283 per sq. ft. |
| 2) | Offices (under 25,000 SF rentable): | \$115 to \$271 per sq. ft. |
| 3) | Retail | \$173 to \$272 per sq. ft. |
| 4) | Warehouse/Light Industrial | \$50 to \$156 per sq. ft. |
| 6) | Commercial Condominium Units | \$176 to \$455 per sq. ft. |

Cost Approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area. Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income/expense information is not available. These properties are typically exempt properties such as churches, schools, public utility buildings, and park improvements. Non-exempt buildings that are valued by the Cost method might be fraternal halls, daycares, and on-going new construction.

Cost calibration

The Marshall & Swift Valuation modeling system which is built in the Real Property Application is calibrated to the region and the Seattle area.

Income Capitalization Approach model description

The Income Approach was considered a reliable approach to valuation throughout Area 32 for improved property types where income and expense data is available to ascertain market rates. Income parameters were derived from the market place through market rental surveys, sales, and available real estates publications and websites.

The following tables are the results of an analysis of this information. The tables stratify the major property types for each area and the income parameters used.

Belltown: Area 32-10 &

Downtown Harbor: Area 32-40

Property Type	Rent/SF Range	Vacancy Rate	Expense Rate	OAR
Office	\$14 to \$30	10 to 12%	35%	7% to 9%
Open Office	\$12 to \$25	10% to 12%	35%	8% to 9.5%
Loft Basement Office & Mezzaninies Office	\$10 to \$20	10% to 15%	35%	8% to 10%
Retail, Restaurant	\$14 to \$25	5% to 15%	10% to 20%	7% to 9.5%
Basement Finished, Mezz, Balcony	\$4 to \$13	10% to 15%	15% to 25%	8.5% to 10%
Discount Store, Supermarket, Dept Store	\$10 to \$20	5% to 15%	10% to 20%	7% to 9%
Storage Warehouse & Light Manufacturing	\$5 to \$16	5% to 15%	10% to 20%	7.5% to 10%
Line Retail	\$18 to \$30	5% to 10%	5% to 10%	7% to 8.5%
Service Garage Repair	\$11 to \$19	10% to 15%	15% to 25%	8.75% to 10%

South Lake Union: Area 32-20

Property Type	Rent/SF Range	Vacancy Rate	Expense Rate	OAR
Office	\$14 to \$30	10%	35%	7% to 9%
Open Office	\$12 to \$25	10% to 15%	35%	8% to 9.50%
Loft Basement Office & Mezzanines Office	\$10 to \$20	10%	35%	8% to 10%
Retail, Restaurant	\$14 to \$25	5% to 15%	10% to 20%	7% to 9.5%
Line Retail	\$18 to \$30	5% to 10%	5% to 10%	7% to 8.5%
Basement Finished, Mezz, Balcony	\$4 to \$13	10% to 15%	15% to 25%	8.5% to 10 %
Discount Store, Supermarket, Dept Store	\$10 to \$20	5% to 15%	10% to 20%	7% to 9%
Warehouse Storage & Light Manufacturing	\$5 to \$16	10% to 15%	10% to 20%	7.5% to 10%
Service Garage Repair	\$11 to \$19	10% to 15%	15% to 25%	8.75% to 10%

Lower Queen Anne Hill: Area 32-30

Property Type	Rent/SF Range	Vacancy Rate	Expense Rate	OAR
Office	\$14 to \$30	10% to 12%	35%	7% to 9%
Open Office	\$12 to \$25	10% to 12%	35%	8% to 10%
Loft Bsmt. Office & Mezz. Office	\$10 to \$20	10% to 12%	35%	8% to 10%
Retail, Restaurant	\$14 to \$25	5% to 15%	10% to 20%	7% to 9.5%
Line Retail	\$18 to \$30	5% to 10%	5% to 10%	7% to 8.5%
Basement Finished, Mezz, Balcony	\$6 to \$13	10% to 15%	15% to 25%	8.5% to 10 %
Discount Store, Supermarket, Dept Store	\$10 to \$20	5% to 15%	10% to 20%	8% to 9%
Warehouse Storage & Light Manufacturing	\$5 to \$16	10% to 25%	10% to 20%	7.5% to 10%
Service Garage Repair	\$11 to \$19	10% to 15%	15% to 25%	8.75% to 10%

Stratification adjustments for the parameters listed were based on quality of construction, effective age, size, and location.

On properties where income from parking was valued, a separate income approach was utilized. This income approach was developed through sales, market surveys, and available publications including the publication of the 2004 Parking Inventory for the Central Puget Sound Region, prepared by the Puget Sound Regional Council. The monthly rate ranged from \$47 to \$170/stall depending on the location. The occupancy range was 51% to 62% and the annual expense rate range applied was 10% to 25%. Stratification adjustments made were based on condition, quality of construction, effective age, and location.

Income approach calibration

The models were calibrated after setting base rents by using adjustments on size, quality of construction, and the effective age. When the value of the property by the income approach was less than the land value, a minimal \$1,000 value was allocated to the improvements. For properties where sales and income/expense data was not available, the Cost Approach was utilized.

Reconciliation and/or validation study of calibrated value models including ratio study of hold out samples.

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The market sales approach is considered the most reliable indicator of value when comparable sales were available, however the income approach was applied to most parcels in order to better equalize comparable properties. Whenever possible, market rents, expenses, and cap rates were ascertained from sales, and along with data from surveys and publications these parameters were applied to the income model.

The income approach to value was considered to be a reliable indicator of value in most instances. The market rental rate applied to a few properties varied from the model but fell within an acceptable range of variation from the established guideline.

Model Validation

Total Value Conclusions, Recommendations and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel in the physical inspection neighborhood was field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

The standard statistical measures of valuation performance are presented both in the Executive Summary and the 2005 and 2006 Ratio Analysis charts included in this report. Comparison of the 2005 Ratio Study Analysis with the 2006 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 90.3% to 99.7%. The Coefficient of Dispersion (COD) went from 10.10% to 6.84%, the Coefficient of Variation (COV) went from 16.35% to 9.05%, and the Price-related Differential (PRD) remained constant at 1.01. This is within the IAAO appraisal guidelines for measures of valuation uniformity and equity.

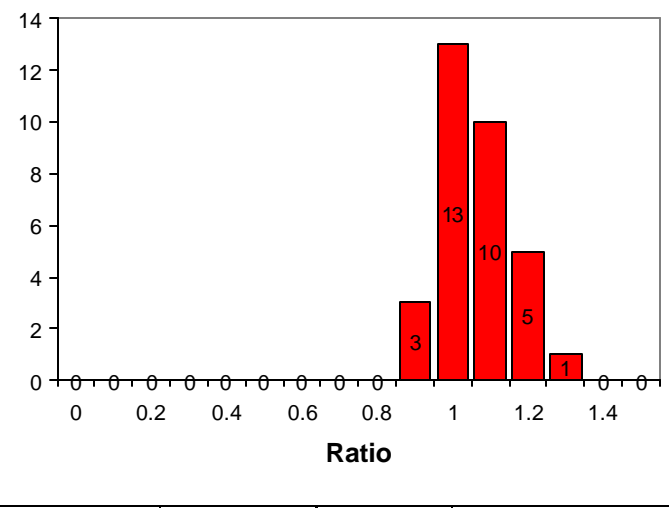
The total assessed values for Area 32 for the 2005 assessment year was \$3,275,016,543 and the total recommended value for the 2006 assessment year is \$3,532,917,480 (does not include specialty properties but does include mixed use condos). Application of these recommended values for the 2006 assessment year (taxes payable in 2007) results in an average total change from the 2005 assessments of 7.87 %.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files and folios kept in the office.

**Area 32 – North Downtown
2005 Assessment Year**

Quadrant/Crew:	Lien Date:	Date:		Sales Dates:
Central Crew	1/1/2005	3/20/2006		1/6/03 - 11/1/05
Area	Appr ID:	Prop Type:		Trend used?: Y / N
32	DMAR	Improvement		N
SAMPLE STATISTICS				
Sample size (n)	32	<div style="text-align: center;"> Ratio Frequency </div>		
Mean Assessed Value	2,073,700			
Mean Sales Price	2,296,600			
Standard Deviation AV	2,575,793			
Standard Deviation SP	2,966,066			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.916			
Median Ratio	0.955			
Weighted Mean Ratio	0.903			
UNIFORMITY				
Lowest ratio	0.4416			
Highest ratio:	1.2106			
Coefficient of Dispersion	10.10%			
Standard Deviation	0.1498			
Coefficient of Variation	16.35%			
Price-related Differential	1.01			
RELIABILITY				
95% Confidence: Median				
Lower limit	0.879			
Upper limit	0.991	<div style="border: 1px solid black; padding: 5px;"> These figures reflect measurements <u>before</u> posting new values. </div>		
95% Confidence: Mean				
Lower limit	0.864			
Upper limit	0.968			
SAMPLE SIZE EVALUATION				
N (population size)	650			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.1498			
Recommended minimum:	34			
Actual sample size:	32			
Conclusion:	Uh-oh			
NORMALITY				
Binomial Test				
# ratios below mean:	12			
# ratios above mean:	20			
z:	1.237436867			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

**Area 32 – North Downtown
2005 Assessment Year**

Quadrant/Crew:	Lien Date:	Date:		Sales Dates:
Central Crew	1/1/2006	3/20/2006		1/6/03 - 11/1/05
Area	Appr ID:	Prop Type:		Trend used?: Y / N
32	DMAR	Improvement		N
SAMPLE STATISTICS				
Sample size (n)	32	<div style="text-align: center;"> Ratio Frequency  <p>The histogram shows the frequency of ratios. The x-axis is labeled 'Ratio' and ranges from 0 to 1.4. The y-axis is labeled 'Ratio Frequency' and ranges from 0 to 14. The bars are red with black outlines. The frequencies for each ratio bin are: 0.8-0.9: 3; 0.9-1.0: 13; 1.0-1.1: 10; 1.1-1.2: 5; 1.2-1.3: 1; 1.3-1.4: 0.</p> </div>		
Mean Assessed Value	2,290,700			
Mean Sales Price	2,296,600			
Standard Deviation AV	2,913,123			
Standard Deviation SP	2,966,066			
ASSESSMENT LEVEL				
Arithmetic mean ratio	1.011	<div style="border: 1px solid black; padding: 5px;"> <p>These figures reflect measurements <u>after</u> posting new values.</p> </div>		
Median Ratio	1.000			
Weighted Mean Ratio	0.997			
UNIFORMITY				
Lowest ratio	0.8232			
Highest ratio:	1.2812			
Coefficient of Dispersion	6.84%			
Standard Deviation	0.0914			
Coefficient of Variation	9.05%			
Price-related Differential	1.01			
RELIABILITY				
95% Confidence: Median				
Lower limit	0.964			
Upper limit	1.050			
95% Confidence: Mean				
Lower limit	0.979			
Upper limit	1.042			
SAMPLE SIZE EVALUATION				
N (population size)	650			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.0914			
Recommended minimum:	13			
Actual sample size:	32			
Conclusion:	OK			
NORMALITY				
Binomial Test				
# ratios below mean:	17			
# ratios above mean:	15			
z:	0.176776695			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

Improvement Sales for Area 032 with Sales Used 03/20/2006

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
032	010	025460	0020	68,746	2167087	\$14,850,000	11/01/05	\$216.01	ARBOR PLACE OFFICE CONDO	DMR/R 240/125	1	Y	
032	010	051240	0010	2,085	2128638	\$949,746	06/02/05	\$455.51	BANNER BLDG RETAIL/LIVE CONDO	DMR/C 125/65	1	Y	
032	010	051240	0050	6,513	1939334	\$1,600,000	02/11/03	\$245.66	BANNER BUILDING CONDO	DMR/C 125/65	1	Y	
032	010	065400	0045	20,920	2077037	\$6,000,000	10/15/04	\$286.81	IBEW LOCAL 46- TO BE CHURCH	DMR/R 125/65	1	Y	
032	010	065500	0055	7,500	2183345	\$1,600,000	01/24/06	\$213.33	RETAIL STORES	DMR/R 85/65	1	Y	after 1/01/06 value date; not in ratio
032	010	069400	0125	6,480	2133169	\$1,200,000	06/20/05	\$185.19	FORMER SIT & SPIN SPACE	DMR/C 240/125	1	Y	
032	010	069600	0320	6,480	1932531	\$1,240,000	01/06/03	\$191.36	5 POINT & OTHER RETAIL	DMR/R 125/65	1	Y	
032	010	069980	0280	835	2098923	\$215,000	01/26/05	\$257.49	BELLTOWN LOFTS- RETAIL CONDO	DMR/C 85/65	1	Y	
032	010	197720	1150	10,400	2018177	\$1,941,000	02/12/04	\$186.63	OFFICES	DMR/R 125/65	1	Y	
032	010	197720	1165	6,480	2105819	\$1,900,000	03/04/05	\$293.21	SAITO'S RESTAURANT & CAFÉ	DMR/R 85/65	1	Y	
032	010	390590	0016	917	2101043	\$255,900	02/08/05	\$279.06	KLEE- RETAIL CONDO	DMR/C 125/65	1	Y	
032	010	894635	0530	2,017	1947945	\$354,200	03/28/03	\$175.61	RETAIL CONDO- VINE BLDG	DMR/C 125/65	1	Y	
032	020	020900	0030	30,258	2001300	\$2,900,000	11/12/03	\$95.84	FRANK POTTER & ASSOC'S	SCM 75	1	Y	
032	020	198320	0005	25,920	2014446	\$2,470,000	01/15/04	\$95.29	BOISE TECHNOLOGY	NC3-85	1	Y	
032	020	198320	0025	4,800	1985658	\$1,150,000	08/29/03	\$239.58	E M C	NC3-85	1	Y	
032	020	198320	0545	25,901	1972576	\$2,825,000	07/15/03	\$109.07	COLOR SERVICE INC	IC-65	1	26	Imp changed after sale; not in ratio
032	020	198320	0645	29,000	1943577	\$3,000,000	03/07/03	\$103.45	WAREHOUSE	IC-65	1	Y	
032	020	198620	0125	12,960	2058165	\$2,215,000	07/28/04	\$170.91	RENOVATED RETAIL/OFFICE	NC3-85	1	Y	
032	020	199120	0845	47,052	2087874	\$6,883,160	12/02/04	\$146.29	OFFICE BLDG. - FORMER AAA BLDG.	NC3-85	1	Y	
032	020	224900	0265	8,860	2084153	\$1,699,000	11/15/04	\$191.76	FULCRUM TECHNOLOGY	C1-65	1	Y	
032	020	224950	0410	4,124	2057833	\$540,000	07/21/04	\$130.94	ADRIATICA RESTAURANT	C2-65	1	Y	
032	020	246740	0005	2,880	2030842	\$500,000	04/13/04	\$173.61	THE FAMILY AFFAIR RESTAURANT	IC-85	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
032	020	246740	0210	8,564	2042506	\$970,000	05/26/04	\$113.26	THE PRINTING MAILING CONNECTION	SCM/R 5	1	Y	
032	020	269310	0055	42,357	2011928	\$2,124,600	12/31/03	\$50.16	BUNGE FOODS	NC3-125	1	Y	
032	020	302504	9001	77,615	2179915	\$22,000,000	01/05/06	\$283.45	CASEY FAMILY BUILDING	SM-65	1	Y	after 1/01/06 value date & leasebac k to seller; not in ratio
032	030	140050	0010	1,259	1949823	\$231,656	04/01/03	\$184.00	OFFICE CONDO- CARRARA	NC3-65	1	Y	
032	030	140050	0020	1,050	2139873	\$182,000	07/19/05	\$173.33	CARRARA I	NC3-65	1	Y	
032	030	178460	0010	2,429	2101653	\$710,000	02/14/05	\$292.30	COUNTERBALANCE ON QUEEN ANNE	NC3-65	1	Y	
032	030	198920	0520	30,000	2102208	\$3,700,000	02/16/05	\$123.33	OFFICE	NC3-65	1	Y	
032	030	198920	1010	50,235	2138905	\$7,900,000	07/15/05	\$157.26	QUEEN ANNE PLAZA	NC3-65	1	Y	
032	030	198920	1150	10,780	2047173	\$1,900,000	06/14/04	\$176.25	16 W HARRISON BLDG	NC3-65	1	Y	
032	030	199020	0224	8,040	2063048	\$1,260,000	08/13/04	\$156.72	WAREHOUSE/OFFICE	NC3-40	1	Y	
032	030	545730	0610	2,028	1982748	\$550,000	08/05/03	\$271.20	OFFICE & APT	NC3-40	1	26	Imp changed after sale; not in ratio
032	030	545730	0675	7,031	1979120	\$1,250,000	08/05/03	\$177.78	160 ROY ST OFFICE BLDG	NC3-40	1	Y	
032	030	545780	1438	14,160	2033175	\$3,850,000	04/22/04	\$271.89	NEW TOWER RECORDS STORE	NC3-40	3	26	Imp changed after sale; not in ratio
032	030	545780	1505	10,440	1996346	\$1,200,000	10/14/03	\$114.94	MAGNA COLOR PRESS	NC2-40	3	Y	
032	030	778775	0010	909	2009874	\$201,000	12/23/03	\$221.12	THE SIENA - RETAIL CONDO	NC3-65	1	Y	

01/01/2006 Valuation – Land Sales Used

AREA	NBHD.	MAJOR	MINOR	LAND AREA	E #	SALE PRICE	SALE DATE	SP/LD. A	PROPERTY_N	ZONE	PAR. CT.	VER. CODE	REMARKS
32	10	69500	235	13,900	1802008	\$2,264,083	2/14/2001	162.88	VACANT LAND	DMC- 65	1	Y	
32	10	197720	570	6,660	1804908	\$1,375,000	3/9/2001	206.46	PARKING LOT	DMR/R85/65	1	Y	
32	10	69600	175	12,960	1806109	\$3,000,000	3/14/2001	231.48	UNDER THE RAIL	DMR/C240/125	1	Y	
32	10	69500	180	9,300	1816141	\$1,460,000	4/24/2001	156.99	IVAR'S ON DENNY	DMC65'	1	Y	
32	10	65600	350	19,440	1951665	\$3,300,000	4/15/2003	169.75	THIRD AVENUE PRODUCTIONS	DMR/C 125/65	1	Y	
32	10	65600	220	12,960	2095168	\$2,400,000	1/5/2005	185.19	RETAIL BLDG - BURNED OUT SHELL	DMR/R 85/65	1	Y	
32	10	197720	1155	19,440	2137924	\$3,500,000	7/11/2005	180.04	RETAIL FOR LOW INCOME HOUSING	DMR/R 125/65	4	Y	
32	10	69500	295	25,920	2120122	\$9,400,000	5/2/2005	362.65	2911 2ND AV BLDG	DMR/C 125/65	1	Y	non-representative - currently outlier
32	10	65300	395	14,400	2178649	\$4,000,000	12/27/2005	278.78	NW PROTECTIVE SERVICES	DMR/C 125/65	2	Y	
32	20	246740	65	14,400	1799514	\$1,600,000	1/29/2001	111.11	BRICKLAYERS BLDG	IC-65'	1	Y	
32	20	198320	475	9,221	1803069	\$830,000	2/27/2001	90.01	WINDWARD PRESS & GRAPHICS WEST	C2-40'	1	Y	
32	20	198320	626	7,920	1826644	\$700,000	6/25/2001	88.38	MULTI-RES	IC/65	1	Y	
32	20	216390	1066	13,200	1859945	\$1,399,900	12/28/2001	106.05	RAINIER PRECISION INC	C2/65	1	Y	
32	20	216390	1060	3,600	1867610	\$449,000	2/6/2002	124.72	VACANT LAND	C2-65'	1	Y	
32	20	216390	1030	6,180	1867638	\$771,500	2/8/2002	124.84	LAND ONLY	C2-65'	2	Y	
32	20	5200	90	47,328	1871046	\$4,550,000	2/28/2002	96.14	VACANT LAND	C1/65	7	Y	
32	20	216390	1050	14,206	1915851	\$1,595,500	10/16/2002	112.31	PARKING	C2-65'	1	Y	
32	20	199120	1405	10,800	1978726	\$1,350,000	8/5/2003	125	CALCOM INC	C1/85	1	Y	
32	20	408880	3385	134,698	1992505	\$21,250,000	10/1/2003	157.76	MCKAY/PACIFIC AUTO SALES	C2/65	2	Y	
32	20	198320	325	48,236	1996666	\$7,049,465	10/22/2003	146.15	HUGH MCNIVEN CO	IC/65	2	Y	
32	20	198320	375	26,754	1996668	\$3,879,330	10/22/2003	145	WESTLAKE CARPET DISTRIBUTORS	IC/65	1	Y	
32	20	198320	75	9,720	2012553	\$1,200,000	1/9/2004	123.46	PACIFIC USED CARS	NC3/65	1	Y	
32	20	684770	55	7,200	2064295	\$900,000	8/20/2004	125	425 EASTLAKE - INTERIUM USE OFFICE	SCM 75	1	Y	
32	20	198620	350	252,010	2049671	\$30,152,000	6/25/2004	119.65	SEATTLE TIMES SURPLUS PROPERTYS	VARIOUS	13	Y	
32	20	198820	1175	1,051	2060287	\$35,000	7/28/2004	33.3	VACANT LOT	SM-85	1	Y	
32	20	246740	245	35,200	2123083	\$4,075,000	5/16/2005	115.77	VACANT LAND FOR MIXED USE DEV	SM/R 55/75	2	Y	

AREA	NBHD.	MAJOR	MINOR	LAND AREA	E #	SALE PRICE	SALE DATE	SP/LD. A	PROPERTY_N	ZONE	PAR. CT.	VER. CODE	REMARKS
32	20	246740	430	14,050	2136700	\$2,200,000	7/5/2005	156.58	SURFACE PARKING LOT	SM/R 55/75	1	Y	
32	20	338690	30	12,826	2142191	\$1,800,000	7/27/2005	140.34	SEATTLE AUTOMOTIV E	SM-65	1	Y	
32	20	198620	305	13,800	2158508	\$3,950,000	9/28/2005	286.23	VACANT OFFICE BUILDING	SM-125	1	Y Y	non-profit to non-profit, currently outlier
32	20	302504	9068	170,000	2179919	\$30,000,000	1/5/2006	176.47	VAC & IMP PURCHASED FOR DEV	SM-65	9	Y	
32	20	198820	1390	24,000	2180555	\$5,000,000	1/9/2006	208.33	IMP PARCELS TO BE DEVELOPED	SM-85	2	Y	
32	30	198820	110	3,600	1820819	\$330,000	5/29/2001	91.67	SFR	NC3-65'	1	Y	
32	30	545780	525	16,640	1832798	\$1,050,000	7/25/2001	63.1	PARKING LOT-TEAR DOWN	L3	3	Y	
32	30	545830	230	16,988	1834785	\$1,910,000	8/4/2001	112.43	KELLEY BUSINESS MACHINES	NC2/40V	2	Y	
32	30	545830	265	4,800	1834783	\$456,000	8/4/2001	95	DUPLEX	NC2 40	1	Y	
32	30	545780	430	7,680	1863475	\$797,500	1/15/2002	103.84	PARKING	NC3-40'	1	Y	
32	30	766620	2160	46,609	1998652	\$3,377,778	10/28/2003	72.47	VACANT RESTAURANT	IC/45'	1	Y	
32	30	545780	1250	66,647	2021602	\$4,775,000	2/27/2004	71.65	SEATTLE SCHOOL DIST ADMIN BLDG	L3	1	Y	
32	30	387990	2050	19,189	2056826	\$1,200,000	7/20/2004	62.53	934 ELLIOT - VALUE IN LAND	C2-40	1	Y	
32	30	545780	1290	16,640	2068889	\$1,352,000	9/7/2004	81.25	SEATTLE TEACHERS ASSN MULTI-PARECL SITE	L-3	2	Y	
32	30	198820	1175	1,051	2060287	\$35,000	7/28/2004	33.3	UNBUILDABLE BILLBOARD SITE	NC3-85'	1	Y	
32	30	387990	1285	12,800	1963976	\$1,800,000	5/28/2003	140.63	OLYMPIC PLACE APTS	L-3	1	Y	
32	30	387990	1295	6,784	1963985	\$900,000	5/22/2003	132.67	6 UNIT APT - TO BE TORN-DOWN	L-3	1	Y	
32	30	199120	600	51,840	2086538	\$8,100,000	11/23/2004	156.25	TEAMSTERS BLDG - FOR DEV.	NC3 - 85	1	Y	
32	30	545830	390	12,840	2029451	\$1,400,000	4/1/2004	109.03	OLD TOWER RECORDS SITE	NC3-40'	1	Y	
32	30	198520	70	36,000	2153418	\$6,700,000	9/9/2005	186.11	SEATTLE CENTER PARKING LOT	NC3-65	1	Y	
32	30	766620	2160	46,440	2110263	\$5,050,500	3/24/2005	108.75	VACANT RESTAURANT - former "Ivar	IC-45	1	Y	previous contamination
32	30	198820	105	7,200	2139044	\$1,025,000	7/14/2005	142.36	QUEEN ANNE AUTOBODY	NC3-65	1	Y	